

City of Goodland Budget Proposal 2023



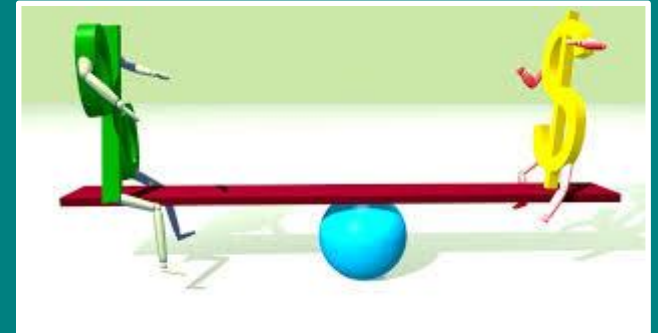
**City of
Goodland**

July 18, 2022

Budget Proposal 2023

Objectives – Remaining Funds

- ❑ **Balanced Budget**
 - Secure Reserves
 - Sustainable Operations
- ❑ **Improved Services**
 - Staff Investments
 - Facility & Infrastructure Improvements (if)
- ❑ **Capital Investments**
 - Diversify Revenue Base (if)



Budget Proposal 2023

Electric Production Fund

□ Revenues

- Revenues almost exactly the same as 2022

□ Expenses

- Personnel – small incr.
- Contractual – big ticket item unchanged(power purchased) , bulk fuel incr., natural gas incr., other minor adjustments.
- Commodities – only change – lubricating oil



Budget Proposal 2023

Electric Production Fund

□ Expenses

- Capital - none.
- CIRF – same – portions for
Retire underground tank
Replace compressor
Replace plant office/shop roof
- MERF – same – portions for
Switch gear 3 phase
IT backbone



Budget Proposal 2023

Electric Distribution Fund

□ Expenses

- Personnel – incr.
- Contractual – bulk fuel incr.

Insurance, other utilities

- Commodities – reduced
- Capital – keep replacing old meters
- CIRF – reduced \$10,000 on all 5 projects (set asides in 2023)
- MERF – increased \$18,270 – main items – unit 41 and start set aside for service truck

IT backbone



Budget Proposal 2023

Electric Commercial & General Fund

□ Expenses

- Personnel – incr.
- Contractual – liability

Insurance, prof services (software)

- Commodities – slightly reduced
- Capital - none
- MERF – decreased \$5,000 – computer replacement remains, IT backbone



Budget Proposal 2023

Electric – Remainders

□ Expenses

- Misc. – Transfer to General
- Compensating Use - same
- Reserve – adjusted as it can be



Budget Proposal 2023

Water Utility Fund - Revenues

□ Revenues

- Revenues – slight increase

Due to rate incr. - about \$30,000

Additional



Budget Proposal 2023

Water Utility Fund – Production

□ Expenses

- Personnel – some of increase to cover retirement.
- Contractual – slight reduction - enough leeway to cover fuel
- Commodities – no change
- Capital Improvements – none
- CIRF – same amount as 2022 –

Water plant update, water tower well in Memory Park

- MERF – much reduced due to SRF water loan paid off



Budget Proposal 2023

Water Utility Fund – Distribution

□ Expenses

- Personnel – about the same
- Contractual – no change
- Commodities – no change
- Capital Improvements –

Meters, equipment

- CIRF – increase –

Bond payment, water line replacement

- MERF – portions to replace Vactron, shoring/tools, IT backbone



Budget Proposal 2023

Water Utility Fund – Distribution

□ Expenses – More on Bond

- CIRF – Bond payment

Series 2016 – until 2036

\$270,438 in 2023

\$3,165,000 remaining principal

At start of 2023



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Water Utility Fund – Miscellaneous

□ Expenses

- Misc. - Transfer to General - increased \$10,000
- Clean Water Fee - no change
- Compensation Use – no change
- Reserve – about the same



Budget Proposal 2023

Sewer Utility Fund - Revenues

□ Revenues

- Revenues – kept same although rate incr. of 20 cents per month each year – generates about \$500 more per month
- Varies on seasonal basis



Budget Proposal 2023

Sewer Utility Fund – Treatment

□ Expenses

- Personnel – payouts to former Employees in '22

- Contractual – minor

- Commodities – equip maint.

Is major change

- Capital Improvements –

Camera sewer mains, clean headworks

- CIRF – none

- MERF – portions to replace tractor, IT backbone



Budget Proposal 2023

Sewer Utility Fund – Collection

□ Expenses

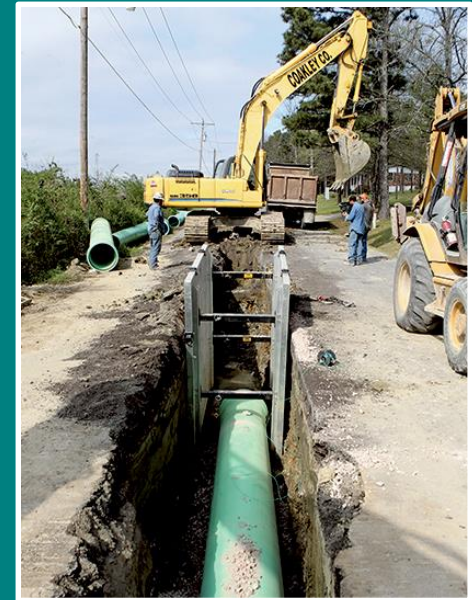
- Personnel – decrease
- Contractual – insurance
- Commodities – equip maint.

Result of camera inspection

- Capital Improvements –

Need to slip line at least two major problems underneath buildings

- CIRF – lift station upgrades
- MERF – portions for shoring/tools



Budget Proposal 2023

Sewer Utility Fund - Remainders

□ Expenses

- Transfers – slight increase to General
- Reserve – treating water – although schedule to transfer \$40,000 to reserve
- Challenge – sewer has been neglected, add'l maintenance needed on plant, lift stations and mains.



Budget Proposal 2023

Health & Sanitation Fund

□ Revenues

- Same – will include fuel surcharge

□ Expenses

- Need to monitor – keep fund balance



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Capital Improvement Reserve Fund (CIRF)

□ Revenues

- Transfers from departments

□ Expenses

- Includes amount for annual chip/seal project, crush concrete, main st. flowers, pool imp., payment for 2016 water improvements bond

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Municipal Equipment Reserve Fund (MERF)

□ Revenues

- Transfers from departments

□ Expenses

- Includes amount for annual bulletproof vests, police vehicles, parks zero turn mower replacement

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Grant Improvement Reserve Fund (GIRF)

□ Revenues

- Transfers from general fund – to meet any local match required on grant applications

□ Expenses

- No expenditures scheduled

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Airport Fund - 09

□ Revenues

- Same – will include fuel surcharge

□ Expenses

- City share of grant improvement projects – see schedule at bottom of page



Budget Proposal 2023

Airport Improvement Fund - 31

□ Revenues

- Grant receipts
- Transfer from Airport fund 09

□ Expenses

- Construction costs on grants – again - see schedule at bottom of page
- Engineering & Fiscal agent fees – based on project costs



Budget Proposal 2023

Library Fund – 13 & 46

□ Revenues

- Tax fund – asking for increase to Offset with library emp. benefit
- Ord 1554 – limits total of 6.75 mills For Library and Library Emp Ben



□ Expenses

- City commission doesn't approve details on expenditures
- See library board communication



Budget Proposal 2023

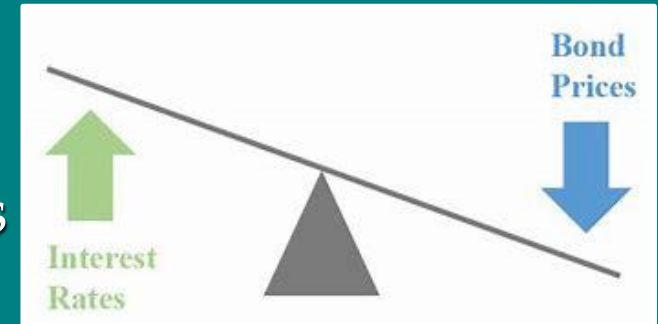
Bond & Interest Fund

□ Revenues

- Tax fund – incr. to match less Ad valorem collected in 2022
- Series 2017 issue – street improvements – until 2027

□ Expenses

- \$288,000 in principal & interest
- \$25,000 cash basis guarantee



Budget Proposal 2023

Cemetery Improvement Fund

□ Revenues

- Lot sales increased based on 2021 and 2022

□ Expenses

- Set asides for buffalo grass, herbicide, fence & building improvements – slightly more for buffalo grass in 2023



Budget Proposal 2023

Employee Benefits Fund - 45



□ Revenues

- Ad valorem tax slightly less
- Total is slightly less

□ Expenses

- Health insurance less – due to employee census and two other changes with retiree and cobra. Budget for 8% increase. Enough?
- Other amounts match personnel costs

Budget Proposal 2023

Law Enforcement Fund

□ Revenues

- Drug forfeitures, vehicle impounds, proceeds from hosting regional training classes

□ Expenses

- \$10,000 dedicated for radios



Budget Proposal 2023

Self Insurance Fund - 07



□ Revenues

- Transfers from other funds including Employee Benefits and Utilities

□ Expenses

- As part of health insurance contract, payments toward stop loss are included in a “self insurance” plan.

Budget Proposal 2023

Municipal Court Diversion Fund

□ Revenues

- Fees collected slightly increased

□ Expenses

- Printer
- Police equipment



Budget Proposal 2023

Special Highway Fund

□ Revenues

- Gasoline tax according to KSA 79-3425

□ Expenses

- Main source to chip and seal streets in Goodland
- Approximately \$140,000



Budget Proposal 2023

Special Parks Fund

□ Revenues

- Liquor tax according to KSA 79-41a04
- ½ to general fund, ½ to special parks
- About \$7,000 per year

□ Expenses

- Park improvements – sprinklers, lights, other
- Up to \$15,000



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□ Revenues

- Fee for vin inspection – per agreement with state – now funds are entirely for city use

□ Expenses

- Training, supplies, and a small portion for ammo and police equipment



Budget Proposal 2023

Non budgeted – ARPA Proj - 35

□ Revenues

- From the American Rescue Plan Act in 2021 – no new revenues

□ Expenses

- Eligible – prem pay, revenue loss, public health, investment in water/sewer/ broadband
- Need to be obligated by end of 2024
- Spent by end of 2026
- Original project – wwtp belt filter press. Now, that is not as urgent – will need commission direction

Budget Proposal 2023

Summary

- 15,493,917 in 2022 vs 15,898,653 in 2023 over all funds
- 2.6% increase overall – probably too thin based on the inflation scenarios and other extreme situations that could occur in the next year. Ask the Commission and the public to understand that this may not be the final result at the end of 2023. But it is the final result as far as property taxes.
- With all the uncertainty in today's environment, we need to be flexible and adapt to changing conditions as quickly as we can while preserving our ideals of service to the community and pledging to make our community safe, structurally sound and able to withstand the challenges presented.

Budget Proposal 2023

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- Remember – could have additional increases in user fees if the City gets increased charges in solid waste or electrical or if there are emergency repairs or replacements needed in any of the utility funds (water/sewer/electric). These would be separate decisions and would be on a case by case scenario.

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- With

From budgets filed with Dept of Administration -			
10-cities in western KS	2021 City Levy	2022 City Levy	2022 RNR
Colby	32.856	32.867	33.269
Dodge City	44.549	44.377	44.297
Garden City	38.562	38.562	37.453
Goodland	50.092	48.885	48.885
Great Bend	54.242	54.684	54.684
Hays	25.001	25.000	24.322
Hugoton	48.062	48.062	46.215
Liberal	52.548	52.548	52.190
Pratt	52.166	52.163	51.891
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7 of 10 – lower RNR

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4 Cities that chose RNR or lower – in '22 budget

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Budget Proposal 2023

Summary

- General Fund categories (adjusting for difference in how Fire is handled by using contract amount in 2022 and removing amount set aside for one retirement)
 - Personnel – increased by 7.3% over '22 budget
 - Understand that salary schedule adopted in mid 2022 was not included in 2022 budget.
 - Contractual – increased by 7.9% over '22 budget
 - Of the increase – 25% of that increase is dedicated to fuel purchases
 - Commodities – increased by 5.9% over '22 budget
 - Capital – down by 24.4% - but small number
 - Transfers to IRF's and ERF's – down by 25.2%

General Fund

Fund Balance

□ Math problem

- A times B equals C
- With the tax lid – the state cared about “B”
- With RNR – the state cares about “C”
- In the two years since they passed RNR legislation, “C” is worth a whole lot less per unit of “C”

General Fund Fund Balance

□ Math problem

- A times B equals C
- Valuation (A) x Tax Rate (B) = Ad Valorem dollars
- With tax lid – the state cared about “B” – Tax rate
- With RNR – the state cares about “C” - dollars
- In the two years since they passed RNR legislation, “C” dollars is worth a whole lot less per unit of “C” dollars

General Fund Fund Balance

□ Main questions

- Do we try to meet the revenue neutral rate? RNR would require an additional \$115,000 in cuts or somehow an additional \$115,000 in revenue.
- Whether or not we try to reach the RNR of 45.811 mills, do we send the request to have a hearing notice?
- Any changes requested by the Commission?